(ii) Activise the Public Distribution System (PDS) and supply foodgrains to all farmers and farm labourers at subsidized rates in all the drought affected areas. Not only the distinction between Above Poverty Line (APL) and Below Poverty Line (BPL) prices be removed, but also the Central Issue prices of grains be lowered by Rs. 100 per quintal than the existing BPL prices.

(iii) Implement food for work programme vigorously for providing adequate employment to all those who offer labour for foodgrains.

(iv) Waive interest on all loans taken by farmers during the current year in affected areas.

(v) Strengthen institutional credit facility to enable the farmers in affected areas to cultivate land properly in the rabi season.

(vi) Supply minikits of quality seeds free of charge to all farmers in the rabi season.

(vii) Restore fertilizer subsidy to the pre-budget level and ensure adequate supply of subsidized fertilizer to all farmers growing crops in the forthcoming rabi season.

The financial implications of these recommendations are estimated to be Rs. 3535 crores. The Government has already announced the payment of the special drought relief prices for kharif crops of 2002-03 season. The special drought relief prices range between Rs. 5/- to Rs. 20/- per quintal and are payable over and above the minimum support price. The remaining recommendations of the CACP are under consideration of the Government.

(b) The recommendations are intended to help all categories of farmers all over the country.

(c) As per extant norms of expenditure for assistance from Calamity Relief Fund (CRF) and National Calamity Contingency Fund (NCCF) for natural calamities, assistance for agricultural input subsidy is admissible to small & marginal farmers only for damage to crops 50% or above. State-wise release of funds under CRF & NCCF for natural calamities during the last three years, are given in the Annexure [*See* Appendix 197, Annexure No. II].

Revamping of HFCL and FCIL

1076. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that as per the unanimous resolution of the Standing Committee on Petroleum and Chemicals, the Ministry of Chemicals and

Fertilizers has submitted a fresh proposal to the Union Government for revamping of Durgapur Plant of HFCL and Sindri Plant of FCIL, with Coal Bed Methane;

(b) if so, the details thereof and whether the same has been deliberated upon and the decision taken by the Cabinet; and

(c) if not, the reasons therefor and the steps being proposed for revival of these plants?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) The Government has decided to close down the Durgapur plant of Hindustan Fertilizer Corporation Ltd. and Sindri plant of Fertilizer Corporation of India Ltd. as the same have not been found techno-economically viable. The use of Coal Bed Methane (CBM) as feed stock is not possible in the near future.

Restarting of HFCL and FCI Plants

1077. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government's attention has been drawn to the article published in 'The Statesman' dated the 27th October, 2002 under the caption, "Bangla Ready to Sell Gas to India"; and

(b) if so, the steps being initiated by Government to use this Gas for restarting the HFCL & FCI Plants, located in West Bengal, Bihar, Jharkhand and Orissa?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) Yes, Sir.

(b) Government of Bangladesh has not taken any decision about export of natural gas to India.

Pruning the fertilizer subsidy

1078. SHRI RAJKUMAR DHOOT: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whetehr it is a fact that Government have decided to prune fertilizer subsidy;

(b) if so, the details thereof;

(c) whether the State Governments have been taken into confidence before taking a final view; and